



House of Representatives

General Assembly

File No. 295

February Session, 2014

House Bill No. 5314

House of Representatives, April 2, 2014

The Committee on Labor and Public Employees reported through REP. TERCYAK of the 26th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING PAYMENTS ON ADVANCES FROM THE FEDERAL UNEMPLOYMENT ACCOUNT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) Notwithstanding the provisions of
2 section 4-30a of the general statutes, after the accounts for the General
3 Fund have been closed for the fiscal year ending June 30, 2014, and the
4 Comptroller has determined the amount of unappropriated surplus in
5 said fund and after any amounts required by provision of law to be
6 transferred for other purposes have been deducted, the Comptroller
7 shall transfer an amount of such surplus sufficient to repay any
8 interest due on advances made to the state from the federal
9 unemployment account under Title XII of the Social Security Act 42
10 USC, Sections 1321 to 1324, inclusive, to the State Treasurer who shall
11 apply such funds to such interest due pursuant to subsection (d) of
12 section 31-264a of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$	FY 16 \$
Comptroller	GF - Depletion of Surplus	15.0 million	Uncertain	Uncertain

Municipal Impact: None

Explanation

The bill requires that a portion of any unappropriated FY 14 General Fund surplus be used to repay interest due in 2014 on amounts borrowed from the federal government to maintain solvency of the state unemployment compensation fund (UCF). This reduces the projected FY 14 surplus of approximately \$500.0 million by an estimated \$15.0 million.

The Out Years

State Impact: None

Municipal Impact: None

Sources: Department of Labor Unemployment Compensation Division

OLR Bill Analysis

HB 5314

***AN ACT CONCERNING PAYMENTS ON ADVANCES FROM THE
FEDERAL UNEMPLOYMENT ACCOUNT.***

SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 7 Nay 3 (03/18/2014)